GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2838
ANSWERED ON:07.12.2009
ESTABLISHMENT OF NATIONAL INFRA FACILITATION AND MONITORING AGENCY
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Confederation of Indian Industry has proposed to establish a National Infra Facilitation and Monitoring Agency on the lines of the Foreign Investment Promotion Board; and

(b) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a): The Confederation of Indian Industry (CII) has suggested the setting up of a National Infrastructure Facilitation and Monitoring Agency (NIFMA) for speedy development of infrastructure with over arching power to play a facilitator's role. The proposed agency is meant to be responsible for tracking & facilitating the implementation of shortlisted 20-30 infrastructure projects of national importance, as also to report on the progress made.

(b): The details of the proposed National Infrastructure Facilitation and Monitoring Agency (NIFMA), as per the note prepared by the Confederation of Indian Industry (CII), are as follows:

Why National Infrastructure Facilitation and Monitoring Agency (NIFMA)?
Too many large and important infrastructure projects showing delays and overruns.
Significant increases likely in public spend on large infrastructure projects and hence more monitoring for efficient usage of scarce public money.
Important to nurture the PPP Movement through strong facilitation at high level.
Constitutional issues that can hinder fast ace of projects perhaps need relook (centre-state coordination. Natural resource sharing, cross border projects issues).
Cohesive and integrated approach exists internationally (Japan, Israel, France etc.) and hence tried and tested.
Truly Independent Implementation & Monitoring mechanism enhances efficiency and accountability.

What will NIFMA do?
Agree with Government the high importance projects/ programmes (suggested 20 from across sectors based on pre-agreed criteria)
Agree with Government the indicators, format and frequency for monitoring and possible role for facilitation.
Regulatory monitor, including analysis of good practices and delay/ cost related issues to be addressed.
Offer suggestions to adopt good practices and also address issues
Play facilitator role − limited to "agreed role"
Regular interfacing with line ministries of Government of India/ States for identified projects.
Will not replace any existing entities/ standing groups

Who owns, Manages and regulates NIFMA?
NIFMA will be an independent-empowered- Accountable- Facilitation body
PPP-owned jointly by public sector (Government of India) and Private Sector (CII)
Board comprising of eminent persons from industry and business
Day to day management, lean structure, single office, professional staff
Funded by industry
Not for profit company

NIFMA will also help to:
Establish best practices in land acquisition, inclusiveness, resettlement and rehabilitation.
Create professional pride and world class delivery culture in specialized cadre.